

REMARKS

Claims 1-38 are pending in this application. By this Amendment, claim 37 is amended for consistency with claim 1. No new matter is added.

Applicants appreciate the courtesies shown to Applicants' representative by Examiner Lastra during the July 24, 2008 telephone interview. Applicants' separate record of the substance of the interview is incorporated into the following remarks.

I. The Claims Comply With The Written Description Requirement

The Office Action rejects claims 1-38 under 35 U.S.C. §112, first paragraph, as allegedly failing to comply with the written description requirement. Specifically, the Office Action alleges that the specification does not describe how the system distinguishes between actual store award points and virtual store award points. Applicants respectfully traverse the rejection.

The point of sale (POS) for actual stores finds support in, for example, POS terminal 18 (Fig. 1). The POS for virtual stores finds support in, for example, personal terminal 28 (Fig. 1). One of ordinary skill in the art would have known that a merchant's computers would necessarily distinguish between a purchase resulting from a POS terminal 18 and a purchase resulting from the Internet via a personal terminal 28 by the different hardware and software connections. Thus, the system easily will distinguish between purchases that originate from virtual stores and actual stores.

During the telephone interview, Examiner Lastra requested a reason why actual points and virtual points are stored separately. Applicants note that, as disclosed at paragraph [0018] of the specification as filed, for example, points resulting from virtual sales and points resulting from actual sales are kept separate so that errors that occur in one of the actual stores and virtual stores does not affect the points resulting from the other of the two types of stores. Thus, Applicants note that full patentable weight must be given to the claimed features of first

and second memories that only store points from the virtual stores and actual stores, respectively.

Applicants request withdrawal of the rejection.

II. The Claims Are Definite

The Office Action rejects claims 1, 19 and 37 under 35 U.S.C. §112, second paragraph. Applicants respectfully traverse the rejection.

The Office Action does not identify informalities in claims 1 and 19, but rather states the Examiner's interpretation of the claims. Thus, no basis for a rejection is stated or explained. Furthermore, the Examiner's interpretations are not correct. Regarding claims 1 and 19, the Office Action states that the claimed first memory that stores points from virtual store purchases and the claimed second memory that stores points from actual store purchases are interpreted as a network server and a smart card (Office Action, page 3). However, the claimed memories find support, for example, in actual store point database 34 and virtual store point database 35, respectively, which are both network accessible (see Fig. 1).

Regarding claim 37, the Office Action further states that "a switching server connected to the network which controls the points issued by the point issuing device and the points reduced by the point reducing device to ensure that the operation costs of the award point service system born by each of the at least one actual store and at least one virtual store are proportional to the use made of the award point service system by the store" is indefinite because it is unclear. This feature finds support, for example, at page 17, lines 14-22 of the specification as filed. This feature is clear by its plain language. The point issuing device and point reducing device cooperate to distribute the costs associated with the award points system such that stores that make more use of the award system pay more in assessed costs. As recited in claim 37, a store proportionally bears costs of the awards system through issued

and redeemed award points based on the frequency of use made of the award system by the store.

Further regarding claim 37, by this Amendment, claim 37 is amended to overcome the lack of antecedent basis for "the managing device".

Applicants request withdrawal of the rejection.

III. The Claims Are Patentable Over The Applied References

The Office Action rejects claims 1-38 under 35 U.S.C. §103(a) over U.S. Patent No. 6,594,640 to Postrel in view of U.S. Patent No. 5,578,808 to Taylor. Applicants respectfully traverse the rejection.

Regarding independent claims 1 and 19, Postrel fails to disclose (1) "a first memory that only stores data of the points issued to the customer in at least one virtual store on the network" (emphasis added); (2) "a second memory that only stores data of the points issued to the customer in at least one actual store" (emphasis added); and (3) "the first memory and the second memory are associated with a same company." Regarding independent claims 27, 29 and 30, Postrel fails to disclose (1) "a first memory that only stores data of the points issued to the customer from at least one virtual store" (emphasis added); (2) "a second memory that only stores data of the points issued to the customer from at least one actual store" (emphasis added); and (3) "a tie-up company comprising the first and second memories" as recited in claim 27 and similarly recited in claims 29-30.

Postrel discloses an awards point accumulation and redemption system including a trading server 20, and merchant-specific reward servers 10-14 (Fig. 4). The reward servers 10-14 hold user data including earned value (points) negotiable for other goods, services, or points of other systems (col. 5, lines 37-43). The Office Action states that Postrel discloses award points that result from Internet-based sales (Office Action, Response to Arguments section). However, Postrel also discloses that a smart card can be used with Postrel's system

such as for hotel purchases (col. 7, lines 55-67). One of ordinary skill would have understood that smart card purchases would be usable for both Internet and brick and mortar purchases. While Postrel discloses both Internet purchases and brick and mortar purchases, Postrel only discloses a single memory per merchant that stores award points. Thus, Postrel does not disclose any memory that stores points only for virtual stores or that stores points only for actual stores.

Taylor discloses a multi-application data card 10 that stores an application record (Fig. 4). Taylor's data card 10 is defined as including credit and debit cards (col. 1, lines 20-26). While the Office Action states that Taylor's data card 10 is used in actual stores (Office Action, Response to Arguments section), because credit cards and debit cards are usable over the Internet, Taylor inherently discloses that data card 10 can be used for virtual stores. As Taylor only discloses a single account per merchant (or per merchant use, see VISA Debit and VISA Credit accounts in Fig. 4), Taylor discloses commingling of virtual and actual purchase information. Thus, Taylor does not disclose any memory that stores points only for virtual stores or that stores points only for actual stores.

For the forgoing reasons, Postrel and Taylor, alone or in combination, fail to disclose the claimed combination of storing award points for a same vendor in separate memories, separated according to whether the points were earned by an actual store purchase or a virtual store purchase.

The Examiner, in the Response to Arguments section and in relation to Postrel, indicates that the disclosure of a network server and a smart card corresponds to the claimed first and second memories that store only virtual store award points and actual store award points, respectively. Contrary to this position, Postrel states "frequent use points may be accumulated on the user's smart card every time the card is used for associated application [sic]. For example, if the user uses his smart card to pay for a hotel that normally gives

reward points, those reward points may be stored on the smart card". In other words, as would be understood by one of ordinary skill in the art, if the smart card is used, the resulting award points may be stored on the smart card as an alternative to storing them on the corresponding merchant-specific reward server 10-14. However, as smart cards can be used both on the Internet, and in actual stores, there is no separation of award points based on the virtual or actual nature of the purchase by use of Postrel's smart card.

Regarding dependent claim 37, the Office Action takes official notice that it is known to limit advertising promotions to the budget of the merchant. However, as explained above, the interpretation that claim 37 limits the award points to be within a budget of a store is incorrect and not supported by the claim language. Claim 37 recites that the operational costs of the award system are proportionally applied to the participating stores by issuing and redeeming award points from a store in proportion to that store's use of the award system. This feature is not disclosed by either Postrel nor Taylor and is not covered by the Examiner's Official Notice.

For the forgoing reasons, Applicants request withdrawal of the rejection.

IV. Conclusion

In view of the foregoing, it is respectfully submitted that this application is in condition for allowance. Favorable reconsideration and prompt allowance are earnestly solicited.

Should the Examiner believe that anything further would be desirable in order to place this application in even better condition for allowance, the Examiner is invited to contact the undersigned at the telephone number set forth below.

Respectfully submitted,



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